

HOUSE BILL 450

By Gresham

AN ACT to amend Tennessee Code Annotated, Title 49,
Chapter 4, relative to loan-scholarships for
potential teachers of mathematics and science.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 4, Part 7, is amended by
adding the following language as a new, appropriately designated section:

§49-4-7__.

(a) The Tennessee student assistance corporation shall administer a loan-
scholarship program for students training to become mathematics or science teachers
under the following terms and conditions:

(1) Any resident of Tennessee who intends to become a mathematics or
science teacher in grades K-12 shall be eligible to apply to the corporation for a
loan-scholarship to attend a college or university in a teacher training program
certified by the department of education that will prepare the person to teach
mathematics or science. The amount of the loan-scholarship shall be
established by the corporation, but shall not exceed the cost of attendance for an
academic year. The loan-scholarship may be received for a maximum of four (4)
years.

(2) For each year of continuous full-time teaching of mathematics or
science in a public school in Tennessee, the student shall receive a credit of
twenty (20%) of the amount borrowed plus interest, or proportionate credit for
part-time teaching service as defined by rules; and

(3) All loan-scholarships shall be evidenced by notes payable to the
corporation, which shall bear interest at an annual rate of interest to be

determined by the corporation from and after the completion of the educational program. The notes shall be executed pursuant to the rules and regulations of the corporation. If the recipient does not remain in Tennessee to teach, the person shall be required to repay the full value of loan-scholarship funds received at an annual rate of interest to be determined by the corporation from the date of completion of the educational program. The permanent withdrawal or dismissal of any recipient, or the failure of any recipient to do college work in a manner acceptable to the corporation, shall immediately forfeit the recipient's right to retain the loan-scholarship. Any loan made under the provisions of this section shall be cancelled by the death or the permanent and total disability of the recipient.

(b) The Tennessee student assistance corporation, in conjunction with the state board of education, is authorized to promulgate rules and regulations for the management of the program and the selection of recipients, taking into consideration such factors as the academic record of the applicant. All such rules and regulations shall be promulgated in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5.

(c) The Tennessee student assistance corporation may receive contributions from outside sources for funding the loan-scholarship program under conditions prescribed by the corporation, with the understanding that the funds will be used solely for awards under this section and unused funds shall not revert to the general fund, but shall be carried forward for future student awards.

(d) Funding from the state of Tennessee shall not revert to the general fund but shall be carried forward to the next fiscal year for future student awards.

(e) This program shall be available for participants beginning July 1, 2007, after rules have been promulgated. The Tennessee student assistance corporation is authorized to use public necessity rulemaking in accordance with §4-5-209(a)(4), as appropriate. The availability of scholarships shall be subject to the appropriation of funds in each year's general appropriations act.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.